INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

No. 1343 — Washington, D. C. — June 30, 1951

Canners Asked To Complete Label Questionnaire Promptly

A questionnaire seeking to determine which of the alternate mandatory label terms is most preferred by the industry will be mailed to all canners next week.

The questionnaire lists all of the product factors for which alternate terms are permitted under the mandatory requirements of the Federal Food, Drug, and Cosmetic Act. Canners are asked to indicate the terms they are now using; and where a different term is considered preferable for nationwide use by the canning industry, canners are also asked to indicate this.

The Board of Directors has approved this program of the N.C.A. Labeling Committee to determine the industry's preference for label terms for each product factor listed in the questionnaire.

Objective of the survey is to obtain greater standardization of descriptive label terms which will facilitate consumer acceptance of canned foods.

Following are the canned foods for which a choice of required label terms is authorized under the Food and Drug Act:

Apricots, red sour and sweet cherries, fruit butter, fruit cocktail, fruit jelly, fruit preserves and jam, peaches, pears, artichokes, asparagus, green and wax beans, lima beans, beets, carrots, sweet corn, field corn, mushrooms, parsnips, black eye peas, dried peas, green peas, peppers, pimientos, white potatoes, rutabagas, tomatoes, tomato catsup, tomato paste, tomato puree, and turnips.

Canners are asked to indicate the terms only for commodities they actually pack, and without regard to brand names or buyer labels. The survey does not cover distributors' preferences for descriptive labeling terms.

Pack and Stock Statistics In Relation to Set-asides

A uniform method for the collection of pack and stock statistics in relation to government set-aside requirements in the 1951-52 season is a major feature in the seasonal program conducted by N.C.A. Division of Statistics.

The government procurement program will result in abnormal stock movements, and various methods of compiling pack and stock figures for statistical purposes have been studied.

Because of the need for accurate records of the canning industry's ability to meet production requirements, every canner will be asked to report *total pack* for all channels of distribution, whether previously contracted for or not with civilian trade, government, other canners, or export buyers.

(Please turn to page 253)

Salmon Excluded from CPR 22; Cost Factors for Other Fish

All canned salmon and salmon products are excluded from coverage under Ceiling Price Regulation 22, by Amendment 13, issued by the Office of Price Stabilization June 29.

Amendment 13 also will permit other fish canners to reflect the change in net cost of raw product up to March 15, 1951, in their ceiling prices under CPR 22. Amendment 13 adds the following subparagraph (24) to paragraph (c) of Appendix A:

"(24) All salmon and salmon products, in any form; and all other fish, shellfish, seafood, and the products thereof, except when sterilized in hermetically sealed containers."

Pricing of Canned Mushrooms

Ceiling prices for canned mushrooms are to be calculated under the General Ceiling Price Regulation and not under Ceiling Price Regulation 22, according to the Office of Price Stabilization.

It was reported in the INFORMATION LETTER of June 23, page 240, in the text of a letter from W. G. Carberry, Chief of the Fruit and Vegetable Branch of OPS' Food and Restaurant Division, that canned mushrooms were to be priced under CPR 22. However, on the basis of new information received by OPS, Mr. Carberry has advised N.C.A. that canned mushrooms are to be priced under GCPR.

Can Order, M-25, Amended

An amendment to the can order, M-25, covering third quarter use of tin cans, was signed June 27 by the National Production Authority. Text of the new can order effective July 1 is reproduced as a supplement to this issue of the LETTER.

Defense Mobilization Effort To Be More Closely Integrated

In a move intended to place greater emphasis on programming and planning the requirements of the defense mobilization effort, the President is to send to the Senate July 2 the name of Manly Fleischmann as the new Defense Production Administrator.

Mr. Fleischmann again will succeed William H. Harrison, who left DPA May 1. Mr. Fleischmann succeeded Mr. Harrison as head of the National Production Authority when the latter was appointed to head the newly-created DPA in January.

However, in addition to his new assignment, Mr. Fleischmann will continue to head the NPA, thus bringing about closer integration of the activities of the two agencies.

When the President created the DPA, it was announced that it would program allocations and priorities and that NPA would carry out these programs (see INFORMATION LETTER of January 6, page 1).

Edwin T. Gibson, on leave from the General Foods Corp., who has been serving as Acting Administrator of DPA since May 1, will continue to assist the new DPA Administrator in the development and administration of international material and production

(Please turn to page 253)

Farm Labor Supply Bill

The House on June 27 passed H. R. 3283, to provide for the importation of Mexican nationals for agricultural employment. It is expected that the bill will be sent to conference with the Senate, which has adopted a companion measure, S. 984 (see INFORMATION LETTER of May 12, page 198).

STATISTICS

Canned Fruit and Vegetable Stocks and Shipments

Reports on canners' stocks and shipments of canned apples, apple sauce, and green and wax beans have been compiled by the N.C.A. Division of Statistics, and detailed reports have been mailed to all canners packing these items.

Canned Apple Stocks and Shipments

	1949-50	1950-51
	(cases—basis 6/10's)	
Carryover, June 1	58,821	852,273
Pack	4,212,162	5,264,682
Total supply	4,271,983	6,116,955
Stocks, June 1	852,273	2,440,789
Shipments during May	(a)	304,432
Shipments, June 1 to June 1	3,419,710	3,676,166

(a) Not available.

Applesauce Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, June 1	299,113	1,273,777
Pack	8,690,702	13,034,119
Total supply	8,989,815	14,307,896
Stocks, June 1	1,273,777	4,740,094
Shipments during May	(a)	1,020,749
Shipments, June 1 to June 1	7,716,038	9,567,802

(a) Not available.

Green Wax Bean Stocks and Shipments

	1949-50	1950-51
	(actual cases)	
Carryover, July 1	329,031	1,619,626
Pack	19,302,855	20,213,355
Total supply	19,631,886	21,832,981
Stocks, June 1	2,327,555	2,100,067
Shipments during May	870,712	936,096
Shipments, July 1 to June 1	17,304,331	19,732,914

Sour Cherry Production

Sour cherry prospects on June 15 in New York, Pennsylvania, Ohio, Michigan and Wisconsin were for a crop of 142,330 tons, down 1 percent from the June 1 forecast and 6 percent below last year's record crop of 150,800 tons, according to BAE.

According to BAE, Michigan has prospects for another large crop. The forecast of 88,000 tons compares with the 98,000 tons harvested last year. The New York crop is making good development and is forecast at 29,000 tons, 7 percent above 1950. In Pennsylvania, the crop is indicated at 11,000 tons, 1,500 tons above the 1950 crop. The Ohio crop is indicated at 3,030 tons, 5 percent below last year. Prospects in Wisconsin improved during the first part of June and on June 15 the forecast was 11,300 tons, 13 percent below the 1950 crop.

Cucumbers for Pickles

The acreage planted to cucumbers for pickles this year is 159,380 acres, according to the preliminary estimate of the Bureau of Agricultural Economics. Assuming abandonment of 11 percent, about 141,900 acres would be harvested. This compares with 109,130 acres harvested in 1950.

Snap Beans for Processing

The 1951 processing snap bean plantings are expected to total 130,490 acres, according to the Bureau of Agricultural Economics.

If abandonment of 5 percent is assumed, about 124,000 acres would be harvested in 1951.

Of the 1951 planted acreage it is estimated that 113,280 acres are green varieties and 17,210 acres wax varieties.

State	Green		Wax	
	1950 Revised	1951 Indicated	1950 Revised	1951 Indicated
	(acres)	(acres)	(acres)	(acres)
Me.	1,300	1,250	1,250	1,800
N. Y.	17,750	20,620	7,250	6,880
N. J.	1,850	2,540	250	160
Pa.	3,150	4,640	1,350	1,160
Mich.	5,070	5,180	1,430	1,820
Wis.	9,400	8,770	3,300	4,130
Mo.	800	700	.....	.....
Del.	1,040	1,980	160	20
Md.	9,030	11,600	1,470	.....
Va.	3,000	2,900	.....	.....
N. C.	2,000	1,700	.....	.....
S. C.	500	400	.....	.....
Ga.	500	200	.....	.....
Fla.	7,500	11,000	.....	.....
Tenn.	5,500	6,000	.....	.....
Miss.	2,000	2,400	.....	.....
Ark.	7,500	7,180	.....	220
La.	900	1,000	.....	.....
Okla.	3,000	2,700	.....	.....
Tex.	5,500	5,000	.....	.....
Colo.	1,130	1,180	270	320
Utah	700	700	60	.....
Wash.	2,400	2,620	100	80
Ore.	6,700	6,820	.....	280
Calif.	2,100	2,100	.....	.....
Other states [1]	1,820	2,100	190	340
U. S. Total	102,440	113,280	17,080	17,210

[1] Ala., Idaho, Ill., Ind., Iowa, Ky., Mass., Minn., Mont., Nebr., N. M., Ohio, Vt., and Wyo.

Sweet Corn for Processing

The 1951 acreage planted or to be planted to sweet corn for canning or freezing is reported at 468,810, according to the Bureau of Agricultural Economics. This preliminary estimate exceeds the revised estimate of the 1950 acreage by about 30 percent.

Assuming abandonment of 7 percent, there would be 436,000 acres for harvest this year.

Plantings by variety are expected to amount to 44,680 acres of Country Gentleman, 13,730 acres of Evergreen and Narrow Grain, and 6,290 acres of other white varieties.

State	1950 Preliminary	1950 Revised	1951 Preliminary
	(acres)	(acres)	(acres)
Maine	6,800	6,600	8,600
New Hampshire	350	350	460
Vermont	630	630	900
New York	25,500	23,800	25,700
Pennsylvania	11,200	10,500	11,000
Ohio	10,000	9,800	16,000
Indiana	26,200	21,000	29,400
Illinois	55,600	55,000	66,000
Michigan	1,300	1,700	1,500
Wisconsin	73,500	73,000	102,500
Minnesota	65,600	65,300	83,000
Iowa	18,000	17,000	25,000
Nebraska	800	750	2,200
Delaware	3,700	3,800	4,000
Maryland	30,000	29,300	35,200
Virginia	500	500	700
Idaho	6,900	7,700	12,300
Utah	4,700	4,900	6,400
Washington	10,000	9,600	12,500
Oregon	9,400	9,500	13,600
Other states [1]	9,200	8,800	11,850
U. S. Total	369,880	359,530	468,810

[1] Ark., Colo., Mont., N. J., Okla., S. D., Tenn., Tex., and Wyo.

Green Peas for Processing

The 1951 indicated production of green peas for canning and freezing is 499,020 tons, BAE reports.

Based on conditions as of June 15, the preliminary estimate of acreage for harvest is 459,000 acres and is 15 percent more than 1950 production.

The indicated 1951 yield per acre, based on June 15 conditions, is 2,174 pounds per acre.

State	Acreage for Harvest 1951	Indicated 1951	1950 Revised
	(acres)	(tons, shelled)	
Maine	9,350	8,650	8,460
New York	31,700	27,740	23,640
New Jersey	3,200	4,480	3,510
Pennsylvania	14,100	16,220	15,430
Ohio	3,300	2,800	2,000
Indiana	4,000	3,080	2,260
Illinois	27,700	29,780	27,490
Michigan	5,800	4,640	4,980
Wisconsin	129,000	141,900	128,730
Minnesota	59,000	56,050	42,280
Iowa	4,500	4,390	4,670
Delaware	2,400	1,990	1,600
Maryland	7,400	8,510	8,070
Virginia	2,100	1,970	1,680
Idaho	9,600	13,920	9,690
Colorado	3,900	3,900	3,700
Utah	9,400	13,630	16,720
Washington	62,200	71,530	61,600
Oregon	50,000	65,800	54,700
California	10,090	14,230	9,400
Other states [1]	3,660	3,210	3,220
U. S. Total	459,000	499,020	433,830

[1] Ark., Ga., Kans., Mo., Mont., Nebr., Okla., Tenn., Tex., W. Va., and Wyo.

Meat Canned in 1950

The quantity of meat canned, and meat products processed under federal inspection during the year 1950 is reported by the Bureau of Animal Industry, USDA, as follows:

Canned Meat and Meat Products Processed by Official Establishments during 1950

	Pounds (finished product)
Luncheon meat	347,212,592
Canned meat	171,253,705
Corned beef hash	74,326,763
Chili con carne	96,333,473
Vienna sausage	53,613,597
Frankfurters & weiners in brine	16,242,242
Deviled ham	7,237,279
Other potted & deviled meat products	39,808,364
Tamales	29,556,513
Sliced dried beef	5,590,586
Liver products	2,192,960
Meat stew	46,181,745
Spaghetti meat products	46,421,311
Tongue (except pickled)	6,433,505
Vinegar pickled products	32,579,250
Bulk sausage	9,709,367
Hamburger	31,167,534
Soups	420,731,379
Sausage in oil	4,891,743
Tripe	7,668,027
Brains	3,621,807
Bacon	8,238,512
All other products 20% or more meat	63,617,727
All other products less than 20% meat (except soups)	129,663,023
Total	1,654,383,004

Pack and Stock Statistics

(Concluded from page 251)

Every canner will be asked to report all stocks on hand except those for which a signed contract of sale has been received from the government.

In response to requests from many canners, the Statistics Division will change its schedule of pack and stock reporting for some commodities, as follows:

Apples and apple sauce—Pack report cumulative monthly; monthly reports on stocks.

Catsup and chili sauce—Pack report in December; stock reports in December, March, and July.

Beets and carrots—Pack on each product in January and March; stock reports in January, March, May, and July.

Spinach—Pack reports on spring and fall packs.

Asparagus—Pack report in August; stock reports in October, January, and March.

In addition, a questionnaire will be sent canners to collect information in simple form on the annual production of the following products:

Canned baked beans with and without pork, chili con carne, kidney beans, dried lima beans, peas and carrots, and succotash.

At present, despite an urgent need for this type of information, pack statistics on these products are not available from any source.

A new program announcing the schedule of pack and stock reports for the 1951-52 season will be furnished all canners in the near future, members and nonmembers.

The statistical program was approved by the Statistics Committee at its meeting in Washington on May 23.

DEFENSE

Frozen Foods Ceiling Prices

Members of the Frozen Fruit and Vegetable Processors Industry Advisory Committee met for the second time with the Office of Price Stabilization on June 22 to discuss a proposed tailored ceiling price regulation for the industry. The first meeting of the committee was held April 27.

OPS presented a rough draft of a proposed tailored regulation. Generally speaking, OPS announced, the proposed regulation sets up pricing formulas along the general lines historically used by the industry, with base period prices to reflect weighted average prices during the first 60 days after the beginning of the pack in 1948. The regulation is intended to cover all sales at the processor levels, according to OPS.

Defense Mobilization Effort

(Concluded from page 251)

programs for which DPA will have an enlarged responsibility. He had declined formal appointment as DPA Administrator.

These changes in the defense organization were announced June 25 by Charles E. Wilson, Director of Defense Mobilization.

Mr. Fleischmann is a senior member of a law firm in Buffalo, N. Y. He entered federal service in 1941 and served until August, 1943, as assistant general counsel of WPB and its predecessor agencies.

Following military service, Mr. Fleischmann served for several months as general counsel for the Foreign Liquidation Commission in the State Department. He resigned in February, 1946, to return to private law practice.

Legal Minimums

National "legal minimum" prices for fruits and vegetables for processing as of June 15 were announced late yesterday by the Bureau of Agricultural Economics, USDA.

To determine location adjustments for fruits for processing as of June 15, the dollar and cent increase over the May 15 prices should be applied to the area price for each commodity as listed in USDA's May 15 "legal minimum" prices. This announcement was issued June 21 and was reproduced by N.C.A. and mailed to members last week.

	Legal minimum May 15, 1951 (dollars per ton)	Legal minimum June 15, 1951 (dollars per ton)	Increase (dollars)
Fruits:			
Apricots	104.00	104.00	....
Cherries, sour	233.00	[b]	....
Cherries, sweet	306.00	[b]	....
Cranberries (bbl.)	18.40	[b]	....
Figs	145.00	146.00	1.00
Peaches, clingstone	74.20	74.40	.20
Peaches, freestone	66.60	66.80	.20
Pears	90.80	91.10	.30
Plums	55.80	56.00	.20
Prunes	63.40	63.70	.30

	Legal minimum May 15, 1951 (cents per pound)	Legal minimum June 15, 1915 (cents per pound)	Increase (cents)
Berries:			
Blackberries	14.1	14.2	0.1
Boysenberries	13.8	13.9	0.1
Gooseberries	11.1	[a]9.6	−1.5
Loganberries	14.1	14.4	0.3
Raspberries, black	21.7	21.8	0.1
Raspberries, red	20.9	21.2	0.3
Strawberries	22.3	[b]	....
Youngberries	13.5	13.6	0.1

[a]Revised. [b]Not reported.

To determine location adjustments for vegetables for processing as of June 15, the dollar and cent increase over the January 15 prices should be applied to the area price for each commodity as listed in USDA's January 15 "legal minimum" prices.

	Legal minimum Jan. 15, 1951 (dollars per ton)	Legal minimum June 15, 1951 (dollars per ton)	Increase (dollars)
Vegetables:			
Asparagus	205.00	205.00	....
Beans, lima	152.00	158.00	6.00
Beans, snap	122.00	127.00	5.00
Beets	23.80	24.80	1.00
Cabbage	16.80	17.50	.70
Corn	22.70	23.60	.90
Cucumbers (bu.)	1.63	1.63	....
Peas	99.00	103.00	4.00
Pimientos	71.50	74.10	2.60
Spinach	58.50	60.80	2.30
Tomatoes	31.30	32.50	1.20

The prices announced by USDA are not support prices and do not represent prices that must legally be paid to growers (see INFORMATION LETTER of March 10, page 141).

PROCUREMENT

Buyer-Seller Relationship between QMC and Canners

The Oakland Quartermaster Purchasing Agency has announced that it will now deal with all canners in the 11 western states who produce canned foods covered by the set-aside orders. The opening portion of the announcement outlined the areas to be covered by field buyers operating out of the Oakland office, and the major portion of the announcement described the relationship of field buyers and canners under the set-aside program. This latter portion of the Oakland announcement is reproduced:

Each Field Buyer will buy all set-aside items produced by the canners assigned to him. In other words, canners will not deal with one buyer on vegetables and another buyer on fruit. During the last few years, it has been customary for the Chicago Procurement Office to buy most of the canned vegetables and for Oakland to buy most of the canned fruit items. Under the newly established plan, all items will be purchased in the area in which they are grown and packed. This should be advantageous to the canners as well as the Quartermaster Corps as it will bring the buyer and seller closer together and should make for better relations. However, most vegetable contracts will still be signed in Chicago and most fruit contracts in Oakland.

Competent people have been selected for all of the Field Buying Offices, and it will be their responsibility to assist canners in every possible way and to make procurement.

Close coordination will be maintained between Oakland and Chicago on all contracts and supporting papers will be uniform regardless of the originating Field Buying Office. Uniformity will be maintained in operating procedures and policies. This will make for smoother operating and faster contract completion.

This is how the Field Buying Organization will operate:

When a canner has merchandise to offer, he will call the Field Buyer who is to handle purchases from his company. The Field Buyer will issue a request for inspection to the USDA Inspector in his district. This office [Oakland] considers it important for the Field Buyer and Inspector to work closely together, and inspection offices are located in the same cities with the Field Buyers. After the Inspection Service has furnished the buyer with a Grade Certificate, the buyer and the canner are ready to talk price. It will be the aim of the buying offices to buy merchandise at fair prices. Fair prices are considered to be the same prices in which canners are willing to sell to other large commercial buyers, less the usual government discount. It is a matter of record that Quartermaster Corps buyers are the largest buyers of canned fruits and vegetables in the United States.

No one is enthusiastic about controls that affect them. However, this office [Oakland] did have a very good experience with set-asides in World War II. Full requirements for the armed forces were obtained during this period and excellent relationships were maintained with all suppliers.

After the buyer and contractor have come to an agreement about price, the contract is written in the buyer's office along with a Property Receipt, a Royalty Report, and a canner's Invoice. Invoices are prepared as a service to the canner. If the canner so desires, he can elect to use his own Invoice. These papers are given to the canner for signature. After signing, the canner returns the papers to the buyer who, after checking them, sends them to the proper office—Chicago on most vegetable items, Oakland on most fruit items—where the Contracting Officer completes the contract. A signed copy of the contract is returned to the canner with a Marking Instruction sheet which gives him exact marking instructions. The contract, with necessary supporting papers, has now been cleared for payment. In the case of the Army, payment for most canned fruits will be made by the Finance Officer in Oakland, and in the case of most vegetables by the Finance Officer in Chicago. Payment on Navy contracts will be made by the Bureau of Supplies and Accounts in Washington.

The Field Buying Organization is now functioning and canners' inquiries and offerings are invited.

SUPPLIES

Allocation of Fertilizer

The Fertilizer Industry Advisory Committee was told in a meeting recently with U. S. Department of Agriculture officials that the Department has no thought of allocating fertilizer at this time.

The Secretary of Agriculture has authority with respect to fertilizer comparable to his allocation powers over food.

The committee was told that adequate supplies of fertilizer will be a major factor in obtaining large-scale production of food this year, and that an increase in productive capacity of nitrogen—500,000 tons or 40 percent more than at present—is needed in the immediate future.

Shipments of Metal Cans

Shipments of cans for fruits and vegetables, including juice, amounted to 64,505 short tons of steel during April as compared with 55,127 tons in March and 45,094 tons in April last year, according to a report by the Bureau of the Census, U. S. Department of Commerce. Shipments of cans for fish and seafood amounted to 7,016 short tons of steel in April as compared with 5,458 tons in March and 6,983 tons in April last year.

	Jan. through April 1950	1951
	(in short tons of steel)	
Fruit and vegetable (including juice)	185,851	227,766
Fish and seafood	20,578	23,557
Meat, including poultry	(*)	55,969

(*)Total not given to avoid disclosing figure for individual companies.

PERSONNEL

Dr. Elliott Retires from FDA

The retirement on June 30 of Dr. Louis D. Elliott, Associate Commissioner of Food and Drugs since 1945, was announced this week by Charles W. Crawford, FDA Commissioner.

Dr. Elliott's career of over 38 years in food and drug law enforcement began in 1913 when he entered FDA's New York laboratory as assistant chemist. From 1916 to 1921 he was affiliated with the National Canners Association in its cannery inspection service.

On resuming service in FDA, he served as analyst in several field stations, as chief of the Denver station for four years, as senior chemist of the Interstate Division in Washington for 10 years, and as chief of that division for seven years.

Dr. Elliott has handled important features of the FDA's law enforcement program, with special emphasis on the maintenance of standards of quality and purity for domestic food products and for importation from other countries.

He will be succeeded by Malcolm R. Stephens, now chief of the Chicago District.

In announcing the retirement of Dr. Elliott, Commissioner Crawford praised the high quality of his service.

New Association Members

The following firms have been admitted into membership in the N.C.A. since May 12, 1951:

R. K. Barter Canneries, Inc., Stonington, Mass. Products—Clams, crab meat, fish flakes, sea herring, mackerel, sardines. Officers—R. K. Barter, president; Arthur Barter, vice president; Gordon A. Richardson, treasurer; Horace Little, clerk.

Cronk Bros., P. O. Box 909, Cordova, Alaska. Factories—Hawkins Cutoff, Prince William Sound. Product—Crab meat. Officer—Burton Cronk.

Gwynneville Canning Co., Gwynneville, Ind. Products—Tomatoes, tomato juice. Officers—Robert E. Lewis, manager; Esther F. Lewis.

Ivanoff Bay Packing Company, 309 Colman Bldg., Seattle, Wash. Factory—Ivanoff Bay, Alaska. Products—Clams, crab meat, salmon. Officers—Guy Halferty, Jr., president; Harold M. Parks, vice president.

Ossian Canning Company, P. O. Box 37, Ossian, Ind. Products—Tomatoes, tomato juice. Officer—Robert B. Fox, owner and operator.

FOREIGN TRADE

Trade Agreements Act

The Trade Agreements Extension Act of 1951, continuing the authority of the President to enter into reciprocal trade agreements and to negotiate changes in United States tariff rates, was signed by President Truman on June 16 as P.L. 50.

The trade agreements statute is the authority under which the U. S. negotiated tariffs at Geneva in 1948, at Annecy, France, in 1949, and at Torquay, England, in 1950-51.

P.L. 50 extends this authority to June 12, 1953. It also contains several new provisions designed to protect domestic industries. These are briefly summarized:

Peril point: The peril point amendment is similar to that adopted by the 80th Congress. In P.L. 50, the President is required, before entering into any new trade agreements, to furnish the Tariff Commission a list of commodities on which he intends to negotiate. On receipt of this list, the Tariff Commission is to make a study and finding, with regard to each commodity, of the point below which tariffs may not be reduced without causing or threatening serious injury to a domestic industry, and also of the point to which the tariffs should be increased to prevent such injury.

If, as a result of trade agreement negotiations, the President reduces a rate of duty below the peril point or fails to provide for the increase found by the Tariff Commission to be necessary, he must report to Congress his reasons for so doing. In such case, the Tariff Commission must submit to Congress the portions of its report to the President dealing with the articles on which its recommendations were not followed.

Escape clause: If the Tariff Commission finds that a domestic industry is suffering serious injury or threat of serious injury as the result of a tariff concession already in effect, the President is authorized by P.L. 50 to modify or withdraw the concession or to establish import quotas.

If the Tariff Commission makes a similar finding with respect to any tariff concession proclaimed after enactment of P.L. 50, the President is directed to withdraw the concession.

P.L. 50 requires the Tariff Commission to make an investigation when requested to do so by the President or by any interested party or on its own motion,

"to determine whether any product on which a concession has been granted under a trade agreement is, as a result, in whole or in part, of the duty or other customs treatment reflecting such concession, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products."

If, after the Tariff Commission has completed its investigation, the President does not take the escape action recommended by it, he must report to Congress on why he has not made the adjustments or modifications recommended. If the Tariff Commission dismisses an application without a full investigation, it must publish a report stating its findings and conclusions.

P.L. 50 also requires that an escape clause, recognizing this procedure, be provided in all future agreements and directs the President, as soon as practicable, to insert an escape clause in all existing agreements, and further requires the President to report to Congress on the action taken by him in this respect.

Perishable agricultural commodities: On a finding by the Secretary of Agriculture that imports of perishable agricultural commodities interfere with the orderly operation of agricultural programs, the Tariff Commission is required to make an immediate investigation under the escape clause procedure. If, in his judgment, the emergency requires such action, the President may take action without awaiting the report of the Tariff Commission. In any event, the Tariff Commission is to conclude its investigations and report, and the President is to make his decision within 25 days after the Secretary of Agriculture has filed his report.

In signing the Trade Agreements Extension Act, the President issued a statement saying, in part, that "the United States will continue its efforts with other countries to expand trade by the reduction or elimination of barriers, and thus to build up the strength of the free world." The President's statement also said:

"However, I must point out that some of the new procedural provisions are cumbersome and superfluous. Although these provisions are intended to insure that American producers will not suffer serious injury from the operation of the program, they do not materially add to the safeguards which already exist under present administrative procedures."

Orange Juice for Bermuda

The Bermuda Supplies Commission will consider applications for the import from dollar sources of canned orange juice, according to the U. S. Department of Commerce.

Forthcoming Meetings

July 12—National Kraut Packers Association, Annual Meeting, Catawba Cliffs Beach Club, Port Clinton, Ohio

July 18-27—Indiana Canners Association, Annual Mold Count School, Purdue University, Lafayette

August 1-10—Association of New York State Canners, Inc., 14th Annual Mold Count School, Jordan Hall, Geneva Experiment Station, Geneva

October 11-12—National Canners Association, Meeting of Board of Directors, Mark Hopkins Hotel, San Francisco, Calif., and Dedication of N.C.A. Western Branch Laboratory building, Berkeley, Calif.

October 24-26—National Pickle Packers Association, Annual Meeting, Sheraton Hotel, Chicago

October 25-27—Florida Canners Association, 20th Annual Convention, Palm Beach Biltmore Hotel, Palm Beach

November 9—Ozark Canners Association, Fall Meeting, Colonial Hotel, Springfield, Mo.

November 12-13—Wisconsin Canners Association, 46th Annual Convention, Schroeder Hotel, Milwaukee

November 15-16—Indiana Canners Association, Annual Convention, French Lick Springs Hotel, French Lick Springs

November 19-20—Pennsylvania Canners Association, Annual Convention, Penn Harris Hotel, Harrisburg

November 26-27—Michigan Canners Association, Fall Meeting, Pantlind Hotel, Grand Rapids

November 29-30—Tri-State Packers Association, 48th Annual Meeting, Philadelphia

December 6-7—Association of New York State Canners, Inc., 66th Annual Convention, Hotel Statler, Buffalo

January 19-23—Annual Conventions of National Canners Association, National Food Brokers Association, and Canning Machinery & Supplies Association, Atlantic City, N. J.

February 14-15—Ozark Canners Association, 44th Annual Convention, Colonial Hotel, Springfield, Mo.

March 6-7—Utah Canners Association, 40th Annual Convention, Hotel Utah, Salt Lake City

FARM PRODUCTS

Cabbage Purchase Program

"In order to encourage the domestic consumption of cabbage by diversion from the normal channels of trade," the Production and Marketing Administration of USDA will purchase cabbage during the present fiscal year. Purchases will be made only in instances where surpluses exist or appear to be developing, and subject to limitations imposed by the capacity of available outlets to utilize supplies without waste and by the amount of funds available for such purchases. Purchases will be made only in areas where acreage has been kept in substantial conformity with recommendations contained in USDA's suggested acreage and production reports, according to an announcement.

USDA on February 7 suggested that 1951 acreage of cabbage should not exceed the 18,900 acres planted in 1950.

The purchase program was announced in the *Federal Register* of June 6.

CONGRESS

Defense Production Act

A 31-day extension of the present Defense Production Act with a provision added that will ban any price rollbacks during that period was headed for final Congressional approval at the time the LETTER went to press.

The temporary extension resolution passed the House yesterday by a voice vote after a roll call vote of 232 to 159 had approved an anti-rollback limitation for the 31-day extension period. The Senate was expected to accept the House resolution and send it to the President.

This action originated in the House of Representatives when it became apparent to House leaders that action could not be completed on legislation to enact a new control law by the June 30 expiration date on price and wage control provisions of the present law.

The Senate had maintained its schedule and had passed a revised bill early Friday morning which would reenact the present law until February 29, 1952, with a new provision placing limitations on price rollbacks. The amendment adopted by the Senate reads as follows:

"Section 402 (d) of the Defense Production Act of 1950 is amended by adding at the end thereof the following new paragraph:

'(4) After the enactment of this paragraph no ceiling price shall become effective which is below either (A) the price prevailing just before the date of issuance of the regulation or order establishing such ceiling price, or (B) the price prevailing during the period January 25, 1951, to February 24, 1951, inclusive. Nothing in this paragraph shall prohibit the establishment or maintenance of a ceiling price with respect to any material (other than an agricultural commodity) which is based upon a period prior to January 25, 1951, if such ceiling price reflects adjustments for increases or decreases in actual factory and labor costs including reasonable allowances for other costs occurring subsequent to such period.'"

House plans had called for that body to begin debate on its Banking and Currency Committee's recommendation for a revised law on Wednesday, June 27. The necessity of extending the budgets of administrative and executive agencies of the government pending final action of Congress on new appropriation measures and the involved and controversial nature of the subject of new price control legislation combined to make House action on a bill, and the following conference committee consideration of the subject, impossible before June 30. Thus the House leadership decided on an extension of the present law until July 1. The House Rules Committee approved the action but provided that consideration should be given to an anti-rollback limitation during the 31 days of temporary extension. The temporary anti-rollback provision reads as follows:

"Notwithstanding any other provision of this resolution or any other provision of law, the authority conferred under the Defense Production Act of 1950, shall not be exercised to place into effect, or permit to become effective, a price ceiling for any material or service lower than the ceiling in effect for such material or service on the date of the enactment of this resolution or put into effect a ceiling for any material or service for which a ceiling is not in effect on the date of the enactment of this resolution."

The adoption of a temporary extension measure permits the House to give considered discussion to future provisions of the defense control legislation. Tentative plans in the House now call for formal debate on its bill to begin July 5; but a vote on the measure is not expected until about July 11. The remainder of the month would be available for conference committee reconciliation of any conflicts between Senate and House proposals and vote on final approval.

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